

# **Consumer FAQ:**

## **Toyota recalls and insurance-related issues**

**I own one of the Toyota models included in a recent recall. If I'm in an accident before my car is fixed, could my insurer refuse to pay the claim?**

If you are in an accident and a faulty part is found to be the cause, your insurer could not deny the claim. The company could decide to subrogate (try to recover losses) from Toyota but your claim would be paid first.

**If I drive a car listed in the recall, could my insurer decide to cancel or not renew my coverage?**

No, not because you drive a Toyota included in one of the recalls. An insurance company can cancel your coverage during the policy period only for non-payment of premium (14-day notice), if your license or registration is suspended or revoked (20-day notice), or for fraud or material misrepresentation. Your company may decide not to renew your policy for any reason except solely because of your credit record, losses due to natural causes, being previously insured by a non-standard company, your age or a disability that does not impair mechanically-assisted driving. Claim frequency, traffic violations or at-fault accidents may be legitimate reasons for a non-renewal.

**Will my auto premium increase because I drive a recalled Toyota?**

There would be no immediate impact on rates since those develop over time. Companies use Vehicle Series Rating, which assigns a symbol (number) to all vehicles. If there are increased claims expenses for a particular model, that symbol could change, leading to an increase. However, it's too early to speculate on what impact, if any, the current recall will have. While this has certainly received a great deal of media attention, the actual number of accidents directly related to the problem remains low, according to Toyota. The insurance industry would look at claims history on a particular model, not whether the vehicle had been the subject of a recall.

**I just received my auto insurance renewal and my premium has increased. If it's not because I drive a recalled Toyota, why am I paying more?**

Auto insurance premiums could increase for a number of reasons. Some companies have filed slight increases due to recent loss history. Your individual circumstances may have changed. Have you filed claims or received traffic tickets in the past year? Did you change your coverage limits or deductible? Are you driving a different car? Are you insuring a teen driver? Some companies also look at

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your credit to determine your credit-based insurance score so be certain the information on your credit reports is accurate. An increase in your auto insurance premium **is not** related to driving a recalled Toyota.

**If I have questions about a premium increase or other insurance issues related to my recalled Toyota, who should I call?**

We would suggest that you first contact your agent or company representative since they would have the details of your coverage and could answer your specific questions. If you need additional information or want to file a complaint, you can contact the Department of Insurance at 800-595-6053 (Kentucky only) or 502-564-3630 (outside Kentucky). Additional information, including an online complaint form, is available by going to our Web site <http://insurance.ky.gov/kentucky/>



**Kentucky Public Protection Cabinet  
Department of Insurance**

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